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City of New Orleans

State of the Coast Address

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****Remarks as prepared for delivery****
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Thank you to the Coalition to Restore Coastal Louisiana (CRCL), the Water Institute of the Gulf, and the Coastal Protection and Restoration Authority (CPRA) for inviting me.

South Louisiana is blessed with opportunity, raw talent, natural beauty and, yes, abundant natural resources.

Powerful bodies of water—the Mississippi River from Baton Rouge to Venice is the largest port complex in the world.

We have the Gulf of Mexico. And the swamps, ridges, bayous and barrier islands in-between—what we call “the Coast”.

Our State’s culture [our food, music, festivals, families] and daily rhythm have always been tied to it. They are one in the same.

For families in South Louisiana we don’t just have weekends and weekdays, we work a little differently, 2 on, 2 off, 7 on, 7 off.

Our calendar is different too, marked by our version of seasons, not winter, spring summer or fall, but crawfish, fishing, hunting, and football.

We have the best fisheries on the planet: fish, crabs, oysters and shrimp. One quarter of the seafood produced in America comes from our waters.

And, of course, our version of gold--oil and gas. Yes, we rely on nature for so much, but especially because Louisiana transports and produces one-fifth of the nation’s energy. And like everything in Louisiana, our work is intertwined with culture, they are inseparable, our favorite place to fish is at an oil platform and we use old pipeline canals to get to and from the hunting camp or favorite fishing spot that no one knows about.

But everyone that fishes the Louisiana marsh has noticed that the little patch of grass that was there last year, last month, or even last week, “Ain’t there no more.”

For generations, barrier islands, marshes and cypress tress as far as the eye could see protected us from hurricanes. But the natural beauty and its ecology are rapidly changing before our eyes.

For decades the coast has been under attack from every angle: cut by canals, starved of nutrients and battered by storms. This threatens not

just mud, grass, fish and crabs, but more than a million people and the nation's maritime and energy security. This attack must stop and be reversed.

Too often this fight becomes the oil and gas industry versus the environmental groups or the climate deniers versus scientists. We have to put all that aside and find a uniquely Louisiana solution because our interests are really the same.

We must embark on a conservation effort not seen since Teddy Roosevelt. Our coast means too much culturally and economically to our state and nation. And, our land and our people are too precious and valuable.

I do not believe we should or must abandon the industry that has provided us great opportunity, we can drill, but we must restore.

Our way of life depends on both.

Though we do not all realize it, New Orleans is also a coastal city, one-third of our land is wetlands, from Bayou Bienvenue to the New Orleans East land bridge. By the way, the Mayor is also the sole trustee of the Wisner Trust that owns much of Port Fourchon.

Our people remain all too vulnerable without dramatic investments today. This place, this way of life, is too important to future generations to let die.

So, how did we get here?

As we sit here today, the coast is under attack on multiple fronts. And let me be clear, there is no single, responsible party.

First, at the request of our business and elected leaders, the Army Corps of Engineers, on behalf of the people of the United States of America, built levees up and down the Mississippi River that channeled its flow, starved it of nutrients, and cut off its natural cycle of marsh nourishment and land creation.

Second, the Corps also built navigation canals that allow saltwater to undermine and erode away our most protected estuaries. You know these as the Gulf Intracoastal Waterway, the Calcasieu Ship Channel, the Barataria Bay Waterway, the Houma Navigation Canal, and of course, the

MR-GO, which cut through 30,000 acres of marsh from Lake Borgne to New Orleans.

Third, for nearly 100 years, the oil and gas industry cut canals that widened through the years, causing, to this day, damage that exponentially spreads through the marsh like an infection.

Fourth, the land under our feet is also sinking from natural and manmade causes. We took a geologically unstable delta, built levees that cut off the sediment it needs to replenish the wetlands, and then extracted billions of barrels of water, oil, and gas.

In South Louisiana alone, bit by bit, we extracted enough oil to fill a tunnel as wide as the Superdome from here to Morgan City. That's not counting the trillions of cubic feet of natural gas and billions of barrels of water extracted from the ground. And studies confirm higher rates of subsidence in areas of oil and gas extraction. This shouldn't come as a surprise—it's not rocket science, just gravity.

Lastly, and certainly not least, fixing this problem will only be made harder by sea level rise caused by climate change.

Climate change is real, and it's also not rocket science—just chemistry. Carbon Dioxide and other greenhouse gasses like methane trap infrared heat from the sun—that's a fact. We can measure that the atmosphere is warming and glaciers are melting.

What we don't know is how quickly sea levels will rise, but all the experts agree that South Louisiana is one of the most vulnerable places on the globe, making our work on long-term restoration even more urgent.

All of this means we are losing land faster than almost any place in the world. More than 1,900 square miles of our wetlands have been lost, and it's getting worse.

Every year, 16 square miles of coast evaporate into the Gulf of Mexico. That is the equivalent of almost all of Manhattan being swallowed by the Hudson River every year. Without action, 1,750 square miles over the next 50 years could disappear. That would be like losing an area three times the size of Houston.

So it is clear that we are under attack and at imminent risk.

What's to be done?

Here's the good news.

We have a plan that lays out a 50-year strategy based in science that includes dredging, diversions and levees.

With the BP oil spill settlement, the RESTORE Act and federal revenue sharing crafted by Senator Mary Landrieu, we finally have a down-payment on rebuilding the coast.

In New Orleans I like our chances. We have \$14.5 billion invested to strengthen the regional levee system. We are taking a page out of the Dutch playbook and learning to live with water. The City has new zoning requirements for storm water management, and while we are investing in levees and pumps, we are also making landmark investments in green infrastructure like permeable pavement, rain gardens, and canals.

This year, New Orleans and the State of Louisiana won almost a quarter of a billion dollars in HUD's National Disaster Resilience Competition. \$143 million of that money will be spent in a single neighborhood in New Orleans on infrastructure that works with water, not against it, as a model for the entire city.

None of that can make up for a coast disappearing this fast. But here is the great opportunity that can be born from this tragedy.

If we do this right, as we rebuild our coast and learn to live with water, we can also grow our economy and put people back to work.

Other states are competing fiercely for the green jobs of the future. We should lead the nation's next energy and water revolution, and then reap the benefits in the form of jobs, profits and restoration.

Our country is on the verge of the next energy revolution and Louisiana can't miss out because we were too focused on the last one.

Restoring our coast allows us to train our workforce for the jobs of the future. Connecting and training Louisianans for careers in water management will reduce the unemployment rate across Louisiana and will help to lower crime and poverty statewide. It's also an opportunity to

transition workers from the energy sector, as tens of thousands are now looking for work.

We can create our own version of the WPA. This can be our New Deal. And it will be the biggest “green jobs” project in the country. That’s building resilience—through employment, sustainability and climate adaptation.

With all this good news, there’s also bad.

Recent estimates from NOAA drive home the severe impact sea level rise will have on our coast.

While we seem to have enough money to get started, we certainly don’t have enough. Some experts now say Louisiana will need to spend up to \$100 billion to make us safe and I understand that the 2017 master plan could reinforce that reality.

Even assuming the current Master Plan’s price tag of \$50 billion, we are already as much as \$10 billion short over the first 20 years.

After those funds run out, all we are left with is the \$140 million a year from federal revenue sharing. That’s why it is critical that our congressional delegation remove the cap on the amount of money we can receive from GOMESA.

What’s more? The Obama administration’s budget proposal seeks to divert more than \$3 billion in GOMESA revenue over the next decade. Some on the environmental left believe revenue sharing incentivizes drilling. Drilling is bad, they say, and so therefore investing in protecting our coast is bad?

Frankly, it’s a view that is unacceptable and not based in reality. We should be able to keep more of what we produce and invest it properly. I’m going to keep fighting to make sure the federal government keeps its commitment to the people of Louisiana.

Equally as important, the people of Louisiana must earn the American taxpayer’s trust everyday by spending coastal dollars on coastal restoration—no funny business. One slip-up, whether intentional or accidental, could sharply erode the international good-will that Louisiana has rebuilt since Katrina.

In southeast Louisiana, there is also a spirited debate going on about whether diversions should be a part of the solution, and if so, how much. I respect the opinions on both sides of the argument, especially coming from those that could have their livelihoods hurt by a diversion.

But we have to be honest—without diversions we will not save the coast. They are a necessary and critical part of the master plan, and we must return sediment and nutrients to our estuaries—plain and simple.

I applaud CPRA for laying out a timeline to implement the Mid-Barataria sediment diversion and I will help them work with the Federal government to make sure that this project—the first of its scale—is not slowed by unnecessary red-tape.

As we continue to innovate, the master plan should also consider all options, like voluntary, public-private partnerships to spur landowners to backfill or dam off canals in priority areas.

And the Corps and Congress could assist by ensuring that sediment dredged in South Louisiana—in support of the shipment of goods to and from dozens of states and foreign countries—is used to rebuild land along our coast.

Even with further assistance from the federal taxpayers, there is a major funding gap in our master plan. Like I said, we've tried nearly everything in our power to make up the difference. Congress should increase the amount of revenue sharing Louisiana receives, but that wouldn't take effect for a decade. And those responsible for the Deepwater Horizon spill are paying, but we are still tens of billions short.

Every year the Gulf Coast via Louisiana provides America with more oil and gas than the US imports from Saudi Arabia. The American people can count on us to keep gas in their tank, heat in their homes and their shelves stocked.

The oil and gas industry has brought the State jobs and prosperity. For most families in South Louisiana during the last two or three generations, providing for your family meant working in and around the industry. From roughnecks and roustabouts on a rig to plant operators in a refinery and executives in the boardroom. It is estimated that some 60,000

Louisianans work in the energy sector with hundreds of thousands more indirect jobs.

But here's the thing, approximately 130,000 men and women work in Louisiana's cultural economy and they depend on the coast for their livelihood as well.

The fate of our state has long been tied to the success of the oil and gas industry. Since companies like Standard Oil came to Louisiana nearly 100 years ago, there has been an uneasy covenant between the state of Louisiana and these huge corporations—that they bring good paying jobs and we don't look too closely at their practices. It is evident now that this was penny wise and pound foolish.

Unfortunately, because we never wanted to look too closely, this industry and others have left our coast undeniably scarred, crippling in a generation or two what Mother Nature built in 7,000 years. We all bear some responsibility for this lack of stewardship.

Right now, ironically, our interests are misaligned. The industry that is contributing significantly to the loss of the coast, and thus our homes and our futures, is the same which the working men and women of Louisiana rely on for our survival. We will only be successful if the interests of the oil and navigation industries are aligned with the people of Louisiana.

This is quite a problem. What is the answer?

It's time for a new covenant, between the leaders of the oil industry and the people of Louisiana—we want you to drill and explore, but only if we repair what you have broken. [You must become leaders in the new energy revolution, to provide energy independence and national security to the United States.]

From the start, we knew there were consequences to drilling along our coast: biologist Percy Viosca Jr at the Louisiana Department of Conservation said it pretty simply:

“Man-made modifications in Louisiana wetlands, which are changing the conditions of existence from its very foundations, are the result of flood protection, deforestation, deepening channels[,] and the cutting of navigation and drainage canals.”

And he went on to say that the “*Time is ripe for an enormous development of the Louisiana wetlands along new and [more] intelligent lines.*”

These words could have been spoken during this conference, but they were said 90 years ago, in 1925.

It is proof positive that the more things change; the more they stay the same.

Today, there must be urgency, because too much is at stake.

I believe we can drill AND restore.

That may seem counterintuitive. But it does not have to be so.

So we are left with few final options for filling the gap needed to repair the coast: 1) come to a negotiated agreement, 2) tax the industry or 3) litigation.

Let me be clear—to the corporate leaders of the oil and gas industry, I am not here to vilify you. Your industry is vital to our economy. It has created jobs and prosperity for our people. But this is our home and it will cease to exist as we know it unless we look to the future instead of clinging to the past, and become responsible stewards of our economy and ecology.

To the roughneck, the crew boat captain and the cook on an oil rig—please know that your elected leaders want to keep you working and create a better future for the state. But our coast can’t keep working unless it’s healthy, able to protect your home from storms, keeps the cost of insurance low and doesn’t require that you build your house two stories above the bayou.

The first option is a negotiated agreement. The governor has attempted to reach out with much success. I hope this changes soon.

A second option that the legislature should consider an idea that the state’s first Republican governor Dave Treen proposed in the 1980s—a modest fee on the natural gas and oil either produced or processed in Louisiana. As a state representative years ago, I even opposed such a fee as a first resort. However, there are no other legislative options remaining for saving the coast.

Now I'm no fool, something like this will never pass in Louisiana on its own. That's why in return for paying the fee, the legislature could also limit the financial liability for companies that failed to put the marsh back like they found it.

I don't know about y'all, but where I grew up, the principle was always: If you broke it, you should fix it.

Even conservative industry experts attribute one-third of coastal land loss to the energy sector.

They were a contributing factor to "breaking it." Under this plan, the oil and gas industry can help us fix it.

I suspect that they are not in favor of Governor Treen's proposal, even with the notion that we can limit their liability. It isn't a perfect plan, but neither is filing lawsuits and litigating damages for the next generation while our coast disappears before our eyes.

That leaves places like New Orleans with very little recourse. Our city is the economic engine for the state, and really for the entire Gulf Coast. I would not be doing my job if we weren't seeking every dollar to put towards restoration and future protection.

Unfortunately, that's why lawsuits to recover for the environmental and economic damage to coast will continue, until the interests of Louisiana's residents and the industry are aligned.

And I hope the oil and gas industry will be a partner in this, since they have as much to lose as anyone. A deteriorating coast means an increasing cost of exploration, construction, maintenance and wages that will sap shareholder profits.

But that can't happen unless we work together to explore and restore. But time is of the essence. And we need to bring all of our resources to bear in a short amount of time in order to make headway in our restoration efforts.

When I think about my 30 years in public service, we should be proud of the progress made toward restoring our coast. Unfortunately, it took Hurricanes Katrina, Rita, Ike and Gustav, and the BP oil spill to get us to this point.

The challenge before us is doing all this in response to what the public sees as a slow moving disaster. This is as important to New Orleans, the largest coastal city in the region, as it is for Grand Isle, or Lake Charles.

The severity of Hurricane Katrina allowed us to build back not as we were, but as we always should have been. Strangers pressed together by circumstance, leaned on each other for comfort and support, and citizens of the world guided by their faith and their mercy came to our aide. With the rising water, differences and divisions were washed away and we rebuilt together.

This crisis does not have us steering in the same direction—we are distracted by fights—diversions or not? Who pays? How much? Is climate change real?

This cannot become a fight between the oil and gas industry versus the environmental groups, or the climate deniers versus scientists. We need a uniquely Louisiana solution.

To the federal government, look at this as an opportunity to prove that large scale restoration works. Let us keep our money so we can restore the coast. And, to the EPA, NOAA and the Army Corps, Louisiana needs you to find a way to say yes, soon, not in ten years.

To the media, we need you to cover this like the disaster it is. Help the world visualize what Louisiana will look like if we don't succeed. And when a deadline is missed or red-tape slows a vital project, it should be on the front page of the paper like the life or death situation it is.

To the navigation industry, you rely on these resources as much as anyone and you must strive to prioritize the long-term health of the ecosystem over short-term fights.

To the oil company executives, treat Louisiana as an equal partner, [like it is your home, where you eat, live, play, hunt and raise your family, not just a good investment for a distant shareholder].

Imagine that you live in Houma not in Houston, in New Iberia, not New York, in Lockport, not London. What would your response be then? This is our home.

To the moms and dads that work in the oil industry, you are our brother and sisters, doing the work of powering America and keeping us strong. You deserve to be able to work, live and bring up your children in a way that doesn't destroy your future, or where you are forced to decide between your livelihood and the land that you live on. In reality they should be one and same, and cared for in a way that sustains both well into the future.

The livelihood should nourish the land, not destroy it.

This is a test of leadership. The time for discussion passed decades ago. History will not judge kindly leaders that see a problem and fail to act. And every one of you in this room is a leader.

The disappearance of our coast threatens our way of life, and more fundamentally, our very existence. Yes, this is an existential threat—that—if nothing is done—will be the end of our home as we know it.

So let's put our differences aside, find common ground, and move us forward. Our people, our land, our way of life are far too important. The time to act is now.